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2006 DEC -6 AM 10:16

MICHAEL A. BROWN  
RECORDER

**LOAN MODIFICATION AGREEMENT**

WHEREAS, LAKE FEDERAL SAVINGS AND LOAN ASSOCIATION OF HAMMOND, N/K/A LAKE FEDERAL BANK, FSB loaned John T Liesenfelt and Elizabeth Liesenfelt, Husband and Wife, the sum Fifty Five Thousand Two Hundred Dollars and No/100--(\$55,200.00), as evidenced by a Note and Mortgage dated October 16, 2001, and recorded October 24, 2001 as Document Number 2001 085635 in the public records in the County of Lake, State of Indiana, where the mortgaged property is located, which Note and Mortgage are hereby incorporated herein as a part of this instrument, and that the above stated mortgage and note shall remain in full force and effect in all respects as modified herein.

AND WHEREAS, the undersigned, owner of said premises, has found it necessary and does hereby request a modification of the terms of said loan for the following reasons:

Upon Advance of \$850.00, to convert this loan from a 5 year balloon to a 300 month adjustable rate loan; Interest Rate to be 6.125%, effective November 1, 2006; payment to be effective December 1, 2006; late charge to be 5% of the adjusted principal and interest amount.

AND WHEREAS, the parties desire to restate the modified terms of said so that there shall be no misunderstanding of the matter;

THEREFORE, it is hereby agreed that, as of the date of this agreement, the unpaid balance of said indebtedness is Fifty Two Thousand Fifty Three Dollars and 69/100---- (\$52,053.69), all of which the undersigned promises to pay with an initial interest rate of 6.125% until paid, and that the same shall be payable in monthly payments of Three Hundred Thirty Nine Dollars and 37/100--- (\$339.37), per month beginning on the First day of December, 2006, to be applied first to interest and balance to principal, plus a sum estimated to sufficient to discharge tax and insurance obligations, if applicable (which sum may be adjusted as necessary); the new interest rate to become effective November 1, 2006; the interest rate made change November 1, 2011 and every November first thereafter; the interest rate will never be increased or decreased on any single Change Date by more than 2.0% from the rate from the proceeding period; the payment date reflecting the change in the new interest rate will be December 1, 2011; and the maturity date will be November 1, 2031; and that in all other respects said mortgage contract shall remain in full force and effect. The Covenants of said mortgage and note are expressly incorporated by reference herein.

Signed, sealed and delivered this 3rd day of November, 2006.

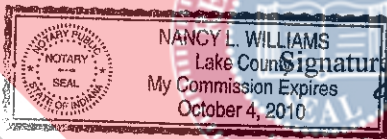
LAKE FEDERAL BANK, FSB

BY Gerald R. Skrabala  
Gerald R. Skrabala, President  
Stephen P. Davenport  
Stephen P. Davenport, Vice President

John T. Liesenfelt (Seal)  
John T. Liesenfelt  
Elizabeth Liesenfelt (Seal)  
Elizabeth Liesenfelt

STATE OF INDIANA, Lake County ss:  
Before me, the undersigned, a Notary Public in and for said County and State, this 3rd day of November, 2006, personally appeared: John T. Liesenfelt and Elizabeth Liesenfelt, acknowledged the execution of the foregoing loan modification agreement. Witness my hand and official seal.

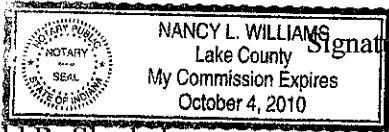
My commission expires: 10/04/2010  
Resident of: Lake County



Nancy L. Williams  
Nancy L. Williams Notary Public

STATE OF INDIANA, Lake County ss:  
Before me, the undersigned, a Notary Public in and for said County and State, this 3rd day of November, 2006, personally appeared: Gerald R. Skrabala and Stephen P. Davenport, acknowledged the execution of the foregoing loan modification agreement. Witness my hand and official seal.

My commission expires: 10/04/2010  
Resident of: Lake County



Nancy L. Williams  
Nancy L. Williams Notary Public

This instrument prepared by: Gerald R. Skrabala

I affirm, under penalties of perjury, that I have taken reasonable care to redact each Social Security Number in this document, unless required by law (Gerald R. Skrabala). *167762*

*Lake Federal bank  
P.O. Box 2277 Hammond 46323*

**ADJUSTABLE RATE RIDER**

THIS ADJUSTABLE RATE RIDER is made this .....3rd..... day of ...November.....  
.....2006..... and is incorporated into and shall be deemed to amend and supplement  
the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given  
by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to ...  
.....Lake Federal Bank, FSB.....

(the "Lender") of the same date and covering the property described in the Security Instrument  
and located at:  
.....7105 Arizona Avenue Hammond, Indiana 46323.....  
[Property Address]

**NOTICE: THE SECURITY INSTRUMENT SECURES A NOTE WHICH  
CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE  
INTEREST RATE. INCREASES IN THE INTEREST RATE WILL RESULT  
IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE WILL  
RESULT IN LOWER PAYMENTS.**

**ADDITIONAL COVENANTS.** In addition to the covenants and agreements made in the  
Security Instrument, Borrower and Lender further covenant and agree as follows:

**A. INTEREST RATE AND PERIODIC PAYMENT CHANGES**

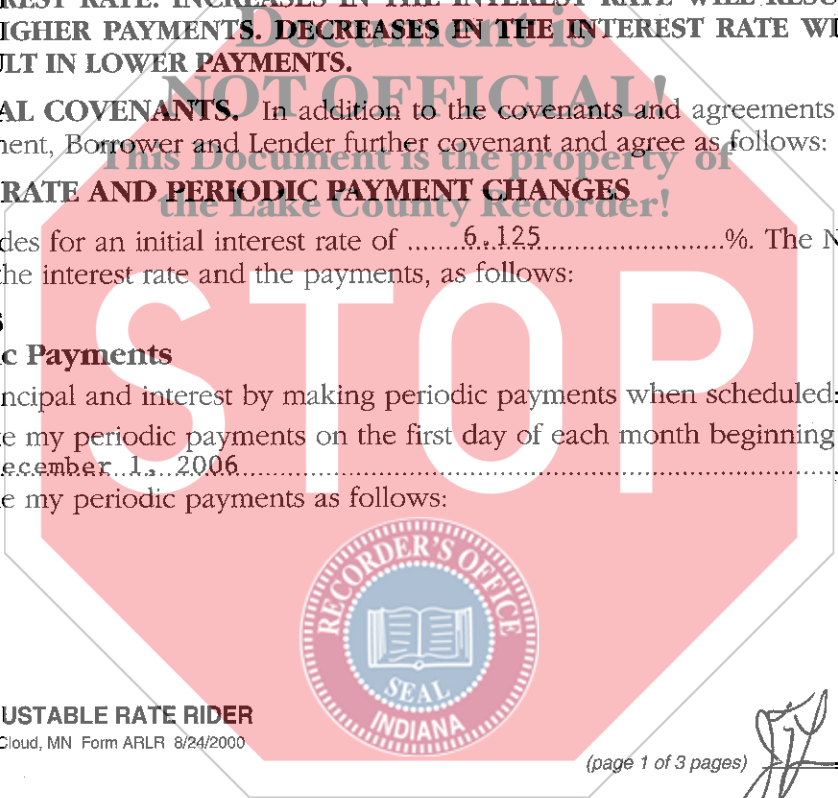
The Note provides for an initial interest rate of .....6.125.....%. The Note provides  
for changes in the interest rate and the payments, as follows:

**3. PAYMENTS**

**(A) Periodic Payments**

I will pay principal and interest by making periodic payments when scheduled: (mark one):

- I will make my periodic payments on the first day of each month beginning on .....  
.....December 1, 2006.....
- I will make my periodic payments as follows:



*[Handwritten signatures]*

*[Handwritten signatures]*

based upon comparable information. The Note Holder will give me notice of this choice.  
If the Index is no longer available, the Note Holder will choose a new index which is before each Change Date is called the "Current Index."

The most recent Index figure available as of the date  45 days

One Year Treasury Constant Maturity-Weekly Average

"Index" is: Beginning with the first Change Date, my interest rate will be based on an Index. The

**(B) The Index**

and on every ..... November, First ..... thereafter.

The interest rate I will pay may change ..... November 1, 2011 ..... month thereafter.

and on that day every ..... month thereafter.

The interest rate I will pay may change on the first day of ..... month thereafter.

Each date on which my interest rate could change is called a "Change Date." (Mark one)

**(A) Change Dates**

**4. INTEREST RATE AND PERIODIC PAYMENT CHANGES**

and the changed amount of my periodic payments in accordance with Section 4 of the Note.

Changes in my periodic payment will reflect changes in the unpaid principal of my loan and in the interest rate that I must pay. The Note Holder will determine my new interest rate

**(D) Periodic Payment Changes**

This amount may change.

Each of my initial periodic payments will be in the amount of U.S. \$ ..... 339.37 .....

**(C) Amount of My Initial Periodic Payments**

..... or at a different place if required by the Note Holder.

I will make my periodic payments at ..... Kennedy Avenue, Hammond, Indiana, 46323

full on that date, which is called the "Maturity Date."

....., I still owe amounts under the Note, I will pay those amounts in

My periodic payments will be applied to interest before Principal. If, on November 1, 2031,

and any other charges described in the Note, I will make these payments as scheduled until I have paid all of the principal and interest

**(B) Maturity Date and Place of Payments**

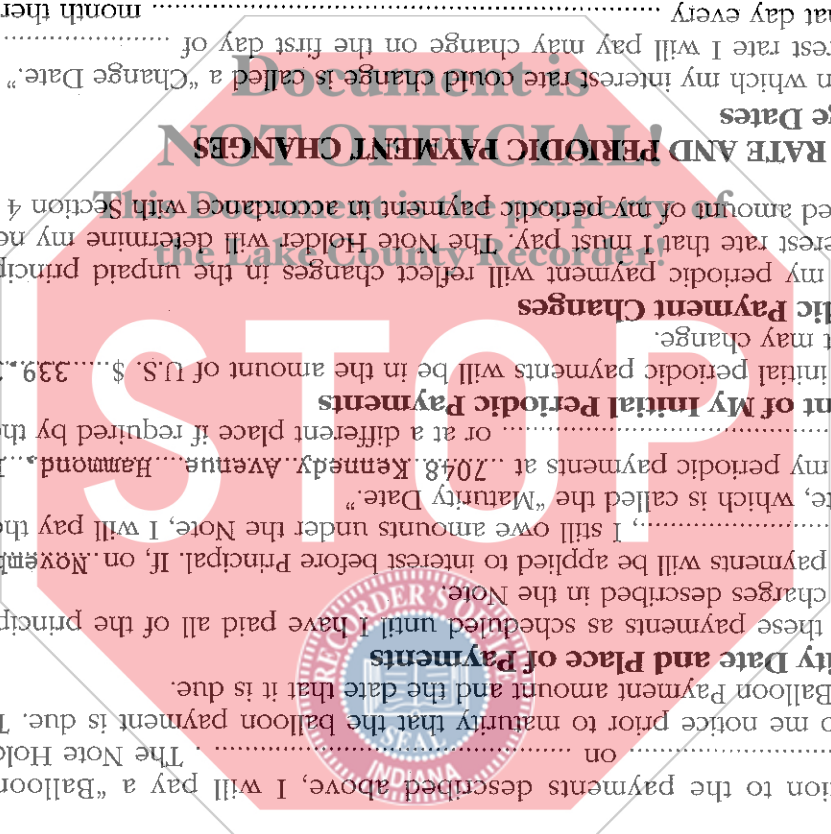
I will make these payments as scheduled until I have paid all of the principal and interest

state the Balloon Payment amount and the date that it is due.

or mail to me notice prior to maturity that the balloon payment is due. This notice will

\$ ..... on ..... The Note Holder will deliver

In addition to the payments described above, I will pay a "Balloon Payment" of



**(C) Calculation of Changes**

Before each Change Date, the Note Holder will calculate my new interest rate by

Two and One Half

percentage points (.....2.500.....%) to the Current Index. The result of this calculation:

- will not be rounded off.
- will be rounded off by the Note Holder to the nearest ..0.125.....%.
- will be rounded off by the Note Holder up to the nearest .....%.
- will be rounded off by the Note Holder down to the nearest .....%.

Subject to the limitations stated in Section 4(D) below, this amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the periodic payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my periodic payment.

**(D) Limits on Interest Rate Changes**

- My interest rate will never be increased or decreased on any single Change Date by more than .....2.000..... percentage points from the rate of interest I have been paying for the preceding period.
- My interest rate will never be greater than .....12.125.....% or less than .....6.000.....%.

**(E) Effective Date of Changes**

My new interest rate will become effective on each Change Date. I will pay the amount of my new periodic payment beginning on the first periodic payment date after the Change Date until the amount of my periodic payment changes again.


**(F) Notice of Changes**


At least 25 days, but no more than 120 days, before the effective date of any payment change, the Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my periodic payment. The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

**B. FUNDS FOR TAXES AND INSURANCE**

Uniform Covenant 3 of the Security Instrument is waived by the Lender.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.

  
 ..... (Seal)  
 John T. Liesenfelt  
 -Borrower

  
 ..... (Seal)  
 Elizabeth Liesenfelt  
 -Borrower